

# SENATE BILL REPORT

## SB 5147

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As Passed Senate, March 14, 2001

**Title:** An act relating to correcting statutes pertaining to the public employees' and school employees' retirement systems.

**Brief Description:** Correcting statutes pertaining to the public employees' and school employees' retirement systems.

**Sponsors:** Senators Winsley, Carlson, Long, Franklin, Honeyford and Fraser; by request of Joint Committee on Pension Policy.

**Brief History:**

**Committee Activity:** Ways & Means: 1/30/01, 2/20/01 [DP].

Passed Senate: 3/14/01, 49-0.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Brown, Chair; Constantine, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Rasmussen, Regala, Rossi, Sheahan, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Zarelli.

**Staff:** Pete Cutler (786-7454)

**Background:** Legislation to create a new School Employees Retirement System, Plans 2 and 3 (SERS 2 and SERS 3) was enacted in 1998, with an effective date of September 2000. In the 2000 session, changes were made to SERS 2 and SERS 3. In that session, the Legislature also created a new Public Employees Retirement System, Plan 3 (PERS 3), with an effective date of March 2002.

After the 2000 session, the Office of the State Actuary, the Department of Retirement Systems, and the State Investment Board (SIB) identified certain technical drafting problems in the new SERS and PERS 3 bills. Five specific issues were identified by the Joint Committee on Pension Policy: (1) The two bills that amended SERS 2 and created PERS 3 both amended, in inconsistent ways, a statute dealing with SERS 2 contribution rates. (2) A provision dealing with the declaration of monthly unit values by the SIB for Plan 3 members needed a technical change to be applicable to PERS 3 members. (3) A disability definition that is used in the Public Employees Retirement System Plan 1 (PERS 1) but not in SERS was inadvertently included in the SERS definition statute. (4) A statute that limits the ability of a person to join a second state retirement plan after retiring from another state or city retirement system had not been amended to specifically refer to SERS. (5) An obsolete provision dealing with PERS membership for elected officials prior to 1988 was appropriate for decodification.

**Summary of Bill:** Five technical and correcting amendments are made to various statutes dealing with SERS and PERS.

**Appropriation:** None.

**Fiscal Note:** Requested on January 22, 2001.

**Effective Date:** The bill contains several effective dates. Please refer to the bill.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.